



Flood Insurance FAQs

Q. Why do I need flood insurance?

A. If you have a federally backed mortgage and live in a special flood hazard zone, federal law requires you to have flood insurance. If you are not required to purchase flood insurance because you do not reside in a high risk flood zone or you own your home outright, you may still wish to protect yourself from damage caused by flooding. Visit www.floodsmart.gov to determine your risk and cost. Standard homeowners insurance policies do not typically provide any coverage for flood damage.

Q. I recently purchased my home. My neighbor just advised that there have been recent updates to the flood map and it now appears that we are in a high risk flood zone. Do I have to purchase a flood insurance policy?

A. Although at the time of settlement your mortgage company only required you to obtain a homeowners insurance policy, your lender may require you to provide them with proof of flood coverage within a certain time. If you fail to do so, the lender may purchase it on your behalf and the cost will be added to the amount of your mortgage payment.

Q. My neighbor's house, which is down the hill from me, flooded from the overflow of the stream that runs behind our houses. Although he has flood insurance, his claim was denied because this loss did not meet the definition of a flood. What is the insurance definition of a flood? Was their denial of his claim legal?

- A. The National Flood Insurance Program (NFIP) defines flood as a general and temporary condition of partial or complete inundation of two or more acres of normally dry land area of two or more properties (at least one of which is the policyholder's property) from:
- Overflow of inland or tidal waters;
 - Unusual and rapid accumulation or runoff of surface waters from any source;
 - Mudflow; or
 - Collapse or subsidence of land along the shore of a lake or similar body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels that result in a flood as defined above.'

Claim disputes involving federal flood insurance policies must be addressed through the NFIP. If you purchase either an excess flood insurance policy or flood insurance policy through the private or surplus lines insurance market, the definition of "flood" could be different. Make certain that you understand what the policy covers and what it excludes.

Q. What is considered a Repetitive Loss Property?

- A. The NFIP defines a repetitive loss property as "an NFIP insured structure that has had at least two paid flood losses of more than \$1,000 each in any 10-year period since 1978."

Q. I was told I can't buy a flood insurance policy from a standard carrier (Allstate, State Farm, etc.). Is that true?

- A. Visit www.floodsmart.gov for a list of insurers that participate in the NFIP's Write Your Own ("WYO") program. Participating WYO insurers sell and service federal flood insurance policies for a fee but do not incur the actual flood loss costs. Your insurance producer or insurer can assist you in locating a flood insurance policy.

Q. I have my basement set up as a man cave. If my basement floods from a general condition of flooding, would my big screen TV and other furniture items be covered under my flood policy?

A. The NFIP defines a basement as “any area of a building, including a sunken room or sunken portion of a room, having its floor below ground level (subgrade) on all sides. Furniture, electronics, clothing, and other personal items in a basement are not covered under a flood insurance policy.

Q. What does the NFIP flood policy cover in a basement?

A. Basement coverage under an NFIP policy includes cleanup expenses and items used to service the building such as furnaces, hot water heaters, washers and dryers, air conditioners, freezers, utility connections, circuit breaker boxes, pumps, and tanks used in solar energy systems.

Q. I just purchased a flood insurance policy last month. I was told that I would have to wait at least 30 days before the policy would actually be valid. Is this true?

A. Yes, this is true. There is a 30-day waiting period after you’ve paid the premium before the policy is effective, with the following exceptions:

- If the initial purchase of flood insurance is in connection with the making, increasing, extending or renewing of a loan, there is no waiting period.
- If the initial purchase of flood insurance is made during the one-year period following the adoption of a revised Flood Insurance Rate Map for a community, the waiting period is only one day.
- The policy does not cover a “loss in progress” defined by the NFIP as a loss occurring as of 12:01 a.m. on the first day of the policy term. In addition, the amount of insurance coverage cannot be increased during a loss in progress.

Q. I just had a tree fall through my roof from the recent storm. The damage left a pool of water in one of the bedrooms. Is this considered a flood? Would this water damage be covered by flood insurance or under my homeowners policy?

A. Your homeowners insurance policy will cover this type of claim subject to your policy’s limits and deductible.

Renters Flood Insurance

Q. I rent a single family house in an area that has a history of severe flooding. If my belongings are damaged by a flood, will my renters insurance cover my loss or can I purchase flood insurance?

A. A renters insurance policy will not provide coverage for flood damage. Even if your landlord insures the dwelling under a flood insurance policy, your property will not be covered. You may purchase a flood insurance policy to protect your property. Speak with an insurance producer or insurer for information on how to obtain flood insurance or visit www.floodsmart.gov for additional information.

Q. What is the maximum amount of flood insurance I can get for my contents if I'm a renter?

A. The limit for contents coverage on all residential buildings is \$100,000.

Q. Is flood insurance for a renter expensive?

A. There are many factors that impact the cost of flood insurance for renters, including the amount of coverage and the flood risk. You may visit www.floodsmart.gov to calculate your cost or speak with an insurance producer, broker or insurer to get a price quote.

Flood Damage to Automobiles

Q. My car was flooded in a storm. Is it covered?

A. Flood damage to vehicles, including flooding from a storm surge, is covered under an automobile insurance policy if you purchased comprehensive coverage (sometimes called "other than collision" coverage).